

Feb. 16, 2006

Dear Senators,

Here is my written testimony in support of S.B. 432, the biodiesel mandate. As a mechanic who increasingly specializes in working on diesel vehicles, I have witnessed a tremendous increase in public interest in diesels and in biodiesel over the last few years. Many Montanans are actively seeking the higher mileage attained by diesel vehicles, and there are also those who wish to support Montana farmers and fuel producers, as opposed to supporting sheiks and strife in the Middle East. I strongly believe that a B2 biodiesel mandate will help us along in this direction, and move us toward state and national energy independence. Energy security is a vital component of national security, and our excessive and ever-increasing dependence on foreign oil continues to make us vulnerable to price disruptions and political instability in oil-producing countries.

It has been my experience, and that of my customers, that B2 or B5 biodiesel blends are better for vehicles (due to the increased lubricity of the fuel), cleaner-burning, and well-suited to Montana's climate year-round. For these reasons, in fact, we consider it to be a "premium" fuel.

Again, I urge you to support S.B. 432. This bill will help Montana's farmers, Montana's economy, and Montana's environment. It is the right thing to do, and now is the time.

Sincerely,

Richard Wachs
1550 Petty Creek Rd.
Alberton, MT 59820
prwachs@blackfoot.net

February 16, 2007

Testimony on Montana SB 432

Dear Honorable Chair and Committee,

I am writing in support of SB 432. Like the biofuel industry in Montana, crafting biofuel legislation is a new endeavor for most Montanans that needs refinement and adaptation. This important legislation will help support and attract the investment needed to move this new and beneficial industry forward. Biofuels production creates good paying manufacturing jobs. Supporting biofuels production through SB 432 will help raise farmgate revenues for our rural producers, thus protecting the salt and backbone of our rural agricultural economy. The availability of locally produced biofuels will provide clean burning renewable fuels for our urban areas and help preserve Montana's natural beauty.

I drove (or hoped to) to Helena from Missoula in my 2005 VW Jetta TDI on B5 that I purchased from Cenex on North Reserve Street in Missoula. I bought our car new in 2005 and have run blends from B100 to B5 and everything in between. The one thing I have not done is run straight diesel #2. I want to protect our investment and I believe the best way to do that is by using biodiesel. As little as a 2% addition of biodiesel to diesel #2 can add 60% more lubricity to the fuel at the pump. Since the introduction of ULSD in 2006, there have been many injector pump failures due to the removal of sulfur, thus lubricity, from diesel fuel. Biodiesel more than adequately replaces that lost lubricity, and helps get us on the road towards greater energy independence while also reducing harmful emissions. Is there any better time than now to invest in our future?

I also want to support my local economy and for every percent of biodiesel I run in my car, I am able to send money to American agricultural producers, not out of control oil executives and the dictatorships both here and abroad that they support. The money spent on biodiesel stays in our economy. I am really looking forward to the day when my purchase doesn't just help an American producer, but helps a Montana producer.

Creating a B2 mandate in Montana will require around 9 MGY of biodiesel. B5 would require around 20 MGY of biodiesel. In order to meet the need for those quantities of biodiesel we would need to plant from 180,000 to 400,000 acres of oilseeds every year in rotation with wheat and barley. Brassica oilseeds help break monoculture disease and pest cycles and offer farmers a stable secondary crop to produce along side their current grain production. Meal left over from the crush process can help replace out of state soy meal to feed livestock and put additional cash back into Montana producer's pockets.

You are going to hear strong opposition from the petroleum cartels. Having testified on biofuel legislation the last two sessions and sat across the table from their hired guns, I have developed the opinion that they will oppose any and all legislation that appears to encroach on what they believe to be their exclusive territory – liquid transportation fuels. Maybe their theory is that if the door can be opened a crack, it could be busted wide open! Maybe it just makes good business sense to them to resist any alternative that they don't exclusively control. They will spin, trick, and cite all kinds of studies that support their arguments to meet their goals. All I ask from all of you is to listen to all of the evidence, ask questions from experts on both sides, and give this legitimate consideration.

I strongly urge you to ask questions from experts on both sides of this bill for clarification. There seemed to be quite a bit of confusion at the hearing for HB 309 as to whether or not this has a high chance of success or failure in cold weather. The simple fact is this – if proper testing is conducted to ensure that both the B100 Biodiesel fuel and Diesel #2 meet ASTM requirements, and proper

blending procedures are followed during the blending process into a B2 (2% Biodiesel) Blend, there should be no issues whatsoever. As far as the pour point issues raised, a recent study conducted by the National Biodiesel Board found that a B2 blend of Soy based biodiesel (that has a higher pour point than that Canola or Camelina Oil – Oilseeds that we would produce in Montana) would raise the cloud point of a standard untreated diesel #2 from -9F to -5F, while the pour point would remain the same at -17F (http://www.biodiesel.org/resources/reportsdatabase/reports/gen/20050728_Gen-354.pdf).

If you listened to any news recently, you maybe heard a news report from over 180 scientists from countries around the world warning of increased issues and concerns due to climate change, and that humans beings are considered primary causes of this change.

(<http://www.cnn.com/2007/TECH/science/02/02/climate.change.report/index.html>).

You may have also heard or read a story about Exxon's record breaking profits for its 4Q last year (<http://www.msnbc.msn.com/id/11098458/>). And if you scan today's headlines you'll find that this is the same Exxon that has been linked to funding illegitimate scientific studies with the sole purpose of debunking climate change (see - Exxon linked to climate change pay out – (http://money.cnn.com/2007/02/02/news/companies/exxon_science/)).

All the while, we as a nation prepare for a troop surge in Iraq and the Middle East as we are prepared with what seems like endless war to protect US interests in the Middle East (<http://www.cbsnews.com/stories/2007/02/03/politics/ap/main2428778.shtml>).

Our country is at a crossroads. States across the country are making the decision to support moving our energy supply away from foreign sources that support undemocratic regimes. Independent of the petroleum driven leadership occupying the executive office, states are responding to their citizens concerns regarding domestic energy security, climate change and harmful carcinogenic pollutions. Minnesota was the first to pass aggressive B2 legislation. Washington just passed its own biofuel mandate last year. Creating biofuel requirement legislation is no longer new. It has become the right thing to do for today, and for the day after tomorrow.

This legislation is what I would consider legacy legislation. My first child, a sweet little angel named Alcyone, just celebrated her first birthday in February. I want more than anything as her father to feel like that I am doing all that I can to help ensure that the world she and her generation inherits, is one that has possibilities. As a new parent, I worry about the legacy I am and the rest of our leaders are leaving them. While this legislation only marks a small step and a beginning, it will represent hope and possibility for many Montanans, as well as fellow Americans that see that we in Montana are taking positive steps towards sustainability for the next generation.

Please know that I appreciate your great service to our State and nation, and in kind, know that I am at your service regarding this legislation if you have any questions at all. Please contact me at your convenience with any questions or concerns regarding this or other biofuel related legislation now or in the future. Thank you for your service to our democracy.

Best wishes,

David Max
Max Energy
257 A Montana Ave.
Missoula, MT 59802
406 493 6522